

**Chapter 1:** The New rules

The **open-ended question** is a powerful negotiation tool

**Calibrated questions** are queries that the other side can respond to but that have no fixed answers

It buys you time

Humans all suffer from **cognitive bias**: unconscious and irrational brain processes that literally distort the way we see the world

The **framing effect**: people respond differently to the same choice depending on how it is framed

**Loss aversion**: people are statistically more likely to <u>act to avert a loss</u> than to achieve an equal gain

#### People want to be understood and accepted

<u>Listening</u> is the cheapest yet most effective concession we can make to get there When individuals feel listened to, they <u>tend to listen to themselves more carefully</u> and openly evaluate and clarify their own thoughts and feelings

In addition, they tend to become less defensive and oppositional and more willing to listen to you and other points of view

The concept is called **tactical empathy** 

This is listening as a martial art, balancing the subtle behaviors of emotional intelligence and the assertive skills of influence to <u>gain access to the mind of another person</u>

Contrary to popular opinion, **listening is not a passive activity**. It is the most active thing you can do

Life is negotiation

**Negotiation** serves two distinct vital life functions:

information gathering

behavior influencing

In this world, you get what you ask for, you just have to ask correctly

Chapter 2: Be a Mirror

In negotiations, you should engage in the process with a mindset of discovery Your goal at the outset is to <u>extract and observe as much information</u> as possible It is really not that easy to listen well. We are easily distracted, we engage in **selective listening**, hearing only what we want to hear, our minds acting on a cognitive bias for consistency rather than truth

To remedy the schizophrenic in your head and the other person's head, your sole and all-encompassing focus in the beginning should be the other person and what they have to say This true, active listening along with the other tactics will disarm your counterpart and make them feel safe

It begins with listening, making it about the other people, <u>validating their</u> <u>emotions</u> and <u>creating enough trust and safety</u> for a real conversation to begin

Going too fast is one of the mistakes all negotiators are prone to making

Your most powerful tool in any verbal communication is your voice.

You can use your voice to intentionally reach into someone's Brain and flip an emotional switch

When people are in a positive frame of mind they  $\underline{\text{think more quickly}}$  and are more likely to  $\underline{\text{collaborate and problem solve}}$  instead of fight

Mirroring, also known as **isopraxism**, is essentially imitation

It's a neural behavior in which we copy each other to comfort each other

Biological principle: we fear what is different and are drawn to what's similar

Being right isn't the key to a successful negotiation, having the right mindset is

4 steps to mirroring:

Use late-night FM DJ voice

Start with I'm sorry

Mirror

Silence (at least 4 seconds)

The language of negations is primarily of conversation and rapport

A way of quickly establishing relationships and getting people to talk and think together

<u>Key lessons</u>: a great negotiator aims to use her skills to reveal the surprises she is certain to find

Don't commit to assumptions

Instead, see them as a hypothesis and use the negotiation to test them rigorously

Negotiation is not an active battle, it is a process of discovery

The goal is to uncover as much information as possible

Slow it down

Put a smile on

Positivity creates mental agility in both you and your counterpart.

Mirrors work magic

Repeat the last 3 words or the critical 1-3 words of what someone has just said

*Mirroring* is the art of insinuating similarity which facilitates bonding

**Chapter 3:** don't fear their pain, label it.

Instead of denying or ignoring emotions, good negotiators identify and influence them

# Emotions aren't the obstacles, they are the means

**Empathy** is <u>paying attention</u> to another human being, <u>asking</u> what they are feeling, and <u>making a commitment</u> to understanding their world

**Tactical empathy** is <u>understanding the feelings and mindset</u> of another in the moment and also <u>hearing what is behind those feelings</u> so you increase your influence in all the moments that follow

Empathy is a classical soft communication skill but it has a physical basis

When we closely observe a persons face, gestures, and tone of voice, our brain begins to align with their's in a process called **neural resonance** 

**Labeling** is a way of validating someone's emotion by acknowledging it

Give someone's emotion a name and you show you identify with how that person feels

## Neutralize the negative, reinforce the positive

The fastest and most efficient means of establishing a quick working relationship is to acknowledge the negative and defuse it

The best way to deal with negativity is to <u>observe it without reaction</u> and <u>without judgement</u>
Then consciously <u>label each negative feeling</u> and <u>replace it with positive, compassionate, and</u>
solution-based thoughts

Clear the road before advertising the destination

Label your counterparts fears to diffuse their power

Use labels to reinforce and encourage positive perceptions and dynamics

For good negotiators, "no" is pure gold

That negative provides a good opportunity for you and the other party to clarify what you really want by eliminating what you don't want

#### "No" starts the negotiation

The right to veto

People will fight to the death to preserve their right to say no, so give them that right and the negotiating environment becomes more constructive and collaborative almost immediately There is a deep and universal human need for autonomy

# People need to feel in control

There are three kinds of yes:

Counterfeit

Confirmation

Commitment

The connection built up with another person is useless unless the other person feels they are equally as responsible if not solely responsible for creating the connection, and the new ideas they have

Everyone you meet is driven by two primal urges:

The need to feel safe and secure

The need to feel in control

Book: Start With No

One sentence email: have you given up on this project?

Chapter 5: trigger the two words that immediately transform any negotiation

Trigger a "that's right" epiphany with a summary

In business, "that's right" leads to the best outcomes

# Don't compromise

The win-win mindset is usually ineffective and often disastrous

At best, it satisfies neither side

No deal is better than a bad deal

We don't compromise because it's right, we compromise because it is easy and because it saves face

We compromise to be safe

## Don't settle and never split the difference

You've got to embrace the hard stuff

That's where the great deals are and that's what great negotiators do

**Deadlines**: make time your ally

Time is one of the most crucial variables in any negotiation

Deadlines are often arbitrary, almost always flexible, and hardly ever trigger the consequences that we think or are told they will

Deadlines are the boogie man of negotiations, almost exclusively self-inflicted figment of our imagination unnecessarily unsettling us for no good reason

<u>You shouldn't hide your deadlines</u> because when it is over for one negotiator, it is over for both sides

Adding a deadline means you're negotiating with yourself, and you always lose

We are all irrational and all emotional

# While we may use logic to reason ourselves towards a decision, the actual decision making is governed by emotion

The most powerful word in negotiations is "fair"

We are mightily swayed by how much we feel we've been respected

**Prospect theory**: people are drawn to sure things over probabilities

**Loss aversion**: people will take greater risks to <u>avoid losses</u> than to <u>achieve gains</u>

<u>Anchor their emotions</u> in preparation for a loss and acknowledge their fears

<u>Let the other guy go first</u> most of the time

Establish a range

Pivot to non-monetary terms

When you do talk numbers, use odd ones

Non-rounded numbers seem more thoughtful, serious, and permanent to your counterpart Surprise with a gift

Unexpected conciliatory gestures are hugely effective because they introduce a dynamic called **reciprocity** 

The other party feels the need to answer your generosity in kind

How to negotiate a better salary:

Be pleasantly persistent on non-salary terms

Once you've negotiated a salary, make sure to <u>define success for your position</u> as well as <u>metrics for your next raise</u>

Spark their interest in your success and gain an unofficial mentor

Ask: what does it take to be successful here?

If someone gives you guidance, they will watch to see if you follow their advice. They will have a personal stake in seeing you succeed.

People take more risks to avoid loss than to realize a gain. Make sure your counterpart sees there something to lose by inaction

**Chapter 7**: Create the illusion of control

### Negotiation is coaxing, not overcoming. Co-opting, not defeating

Most importantly, successful negotiation involves getting your counterpart to do the work for you and suggest your solution himself

Giving your counterpart the illusion of control by <u>asking calibrated questions</u>, by <u>asking for</u> help, is one of the most powerful tools for suspending unbelief

Only use what and how in calibrated questions

Aggressive confrontation is the enemy of constructive negotiation

Avoid questions that can be answered with yes or tiny pieces of information

These require little thought and inspire the need for reciprocity

Chapter 8: quarantee execution

#### Yes is nothing without how

A gentle how no question invites collaboration and leaves your counterpart with a feeling of having been treated with respect

A deal is nothing without good implementation

Your carefully calibrated how questions will convince them that the final solution is their idea Ask: how will we know we are on track and how will we address things if we find we are off-track?

When they answer, you <u>summarize their answers</u> until you get a "that's right" Then you'll know they've bought in

**7/38/55 Rule**: only 7% of a message is based on words, while 38% comes from the tone of your voice, and 55% from the speaker's body language and face

There are three kinds of yes: commitment, confirmation, counterfeit

The **Rule of Three** is simply getting the other guy to <u>agree to the same thing three times</u> in the same conversation

It is tripling the strength of whatever dynamic you're trying to drill into at the moment
The reason this works is because it is really hard to repeatedly lie or fake conviction
Liars tend to use more words and speak with third-party pronouns to distance themselves
from the lie

Liars also tend to speak in more complex sentences to try and win over their suspicion counterparts

**The Pinocchio Effect** is when the number of words grows along with the lie Liars are more worried about being believed, and work harder, perhaps too hard, at being believable

<u>Using your own name</u> creates the dynamic of forced empathy. It makes the other side see you as a person

**Humanize yourself**. Use your name to introduce yourself

Say it in a fun, friendly way

Let them enjoy the interaction too and get your own special price

**Chapter 9**: Bargain hard

To be great at the bargaining table, you have to <u>add to your strengths</u>, not replace them
The **Black Swan Rule**: don't treat others the way you want to be treated, <u>treat them the way they need to be treated</u>

For anger to be effective it has to be real

The key for it is to be under control because anger reduces our cognitive ability. In bare-knuckle bargaining, the most vital principle to keep in mind is never to look at your counterpart as an enemy

**Chapter 10**: find the black swan

He believes that in every negotiation, each side is in possession of at least three **black swans**Three pieces of information that, were they to be discovered by the other side, would <u>change</u>
<u>everything</u>

To uncover these unknowns, we must <u>interrogate our world</u>, put out a call and intensely <u>listen</u> to the response, ask lots of questions, <u>read nonverbal clues</u> and always <u>voice your</u> <u>observations</u> with your counterpart

#### Negotiation is more like walking on a tightrope then competing against an opponent

Focusing so much on the end objective well only distract you from the next step and that can cause you to fall off the rope

<u>Concentrate on the next step</u> because the rope will lead you to the end as long as all the steps are completed

Your counterpart always has pieces of information whose value they do not understand Black swans are leverage multiplier. They give you the upper hand

In theory, leverage is the ability to inflict loss and withhold gain

Where it is your counterpart wants to gain and where do they fear losing?

Discover these pieces of information and you'll build leverage over the other side perceptions, actions, and decisions

The party who feels they have more to lose and are the most afraid of that loss has less leverage

To get leverage, you have to <u>persuade your counterpart that they have something real to lose</u> if the deal falls through

In any negotiation, it's not how well you speak, but <u>how well you listen</u> that determines your success

Understanding the other is a precondition to being able to speak persuasively and develop options that resonate with them

We trust people more when we view them as being similar or familiar

People trust those who are in their "in" group

Belonging is a primal instinct, and if you can <u>trigger that instinct</u>, you'll immediately gain influence

He hopes this book gets you over the fear of conflict and encourages you to navigate it with empathy

If you're going to be great at anything, you're going to have to do that

You're going to have to embrace regular, thoughtful conflict as the basis of effective negotiation and of life

The adversary is the situation, and that the person you appear to be in conflict with is actually your partner

#### Don't avoid honest, clear conflict

When someone seems irrational or crazy, they most likely aren't

Search for constraints, hidden desires, and bad information

Get face time with your counterpart

10 minutes of face time often reveals more than days of research

"When the pressure is on, you don't rise to the occasion. You fall to your highest level of preparation"

People who expect more, and articulate it, get more

Themes / Main Ideas:

Calibrated questions, mirroring, and labeling are effective tools for tactical empathy In this world, you get what you ask for, you just have to ask correctly

Emotions aren't the obstacles, they are the means

People want to feel like they're in control and will fight to preserve their autonomy Don't settle and never split the difference. No deal is better than a bad deal.

Emotions are the means. People want to feel heard and respected.

Negotiation is coaxing, not overcoming. Co-opting, not defeating

"Yes" is nothing without "how". A deal is nothing without good implementation

Don't treat others the way you want to be treated, treat them the way they need to be treated

Negotiation is more like walking on a tightrope then competing against an opponent. It is a discovery process to be taken one step at a time.

In any negotiation, it's not how well you speak, but how well you listen that determines your success

You're going to have to embrace regular, thoughtful conflict as the basis of effective negotiation and of life. Don't avoid honest, clear conflict.

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